

**Questions from FRA Administrator Joseph Boardman  
For Discussion at May 14, 15, 28 and 29, 2008 Public Meetings  
in Docket No. FRA-2006-25169**

**Questions Directed Towards the Association of American Railroads:**

1. Sixteen months ago I asked AAR to delay the implementation of its interchange standard in order for the Federal Government to publish a rule that would improve the accident survivability of tank cars designed to carry PIH materials and absorb five times more energy before catastrophic failure than the current cars can. Although I thank you for your cooperation in that regard, the AAR Tank Car Committee has now implemented the interchange standard that they had held back during the past sixteen months, despite issuance of the proposed rule that we are here to discuss today.

FRA does not believe that cars built to the interchange standard will prevent the type of catastrophic hazmat releases that the industry so fears.

- 1.1 Wouldn't the use of DOT proposed standard tank cars provide a much safer and lower risk strategy for the railroads?
- 1.2 Does the AAR intend to encourage car builders and shippers to move as rapidly as possible to replacing their tank car fleets with tank cars meeting DOT's proposed standards?
- 1.3 If the AAR had not adopted its new interchange standard at this time, did the AAR quantify its risk to wait till the new car was available? If so, would you please submit supporting documentation to the docket?
- 1.4 The AAR interchange car will weigh 286,000 pounds, and is unlikely to be able to be modified to reach the level of energy absorption that the proposed rule calls for. Should DOT require this "interchange car" to be replaced in the same time frame that the proposed rule contemplates for other tank cars? Please provide the rationale for your answer.

**Questions Directed Towards Builders of PIH Tank Cars:**

2. You have received technical information on the performance standards that this rule will require in just the past couple of weeks, and you are aware of the interchange standard that AAR has now implemented
  - 2.1 Will you have chlorine and anhydrous ammonia cars available that meet the AAR interchange standards and when? How long after an order is placed will a car be delivered?

- 2.2 Do you believe that existing cars can be, and will be modified to meet the AAR interchange standards, and if so what is the timeframe for such modifications?
- 2.3 One builder has already requested that their new cars built to the AAR interchange standard be “grandfathered” so that the cost of construction can be leased/amortized over a twenty year period. Will other builders make similar requests?
- 2.4 What do you expect the market to be with a positive decision on “grandfathering” and also a negative decision on “grandfathering”?
- 2.5 Some have been saying that AAR’s interchange standards provides the only opportunity to be able to sell a tank car within the next two years until the new rule based car is available. Do you agree? Do you believe that it will be two years before a car meeting the proposed DOT standard is available?
- 2.6 If the AAR had not imposed its interchange standard would the market for new cars be any different?
- 2.7 If the proposed DOT rule were in effect today, how would that impact your industry?

**Questions Directed Towards Shippers and Other Tank Car Owners:**

- 3. You are the fleet owners that will be impacted by both the changes to DOT’s tank car rules and the new AAR interchange standard.
  - 3.1 What are your tank car fleet needs over the next three years?
  - 3.2 How many non-normalized pre-1989 tank cars will be replaced by cars built to the new AAR interchange standard?
  - 3.3 How likely are you to wait for the new DOT performance standard car before you make major purchases; will you wait, or will you buy now?
  - 3.4 What will the impact of a negative decision about “grandfathering” the AAR interchange car have on your buying decisions?
  - 3.5 How many tank car builders have an AAR interchange standards car available to purchase?
  - 3.6 If the proposed DOT rule were in effect today, how would that impact your industry?